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Consumer Price Index, Honolulu – First Half 2015

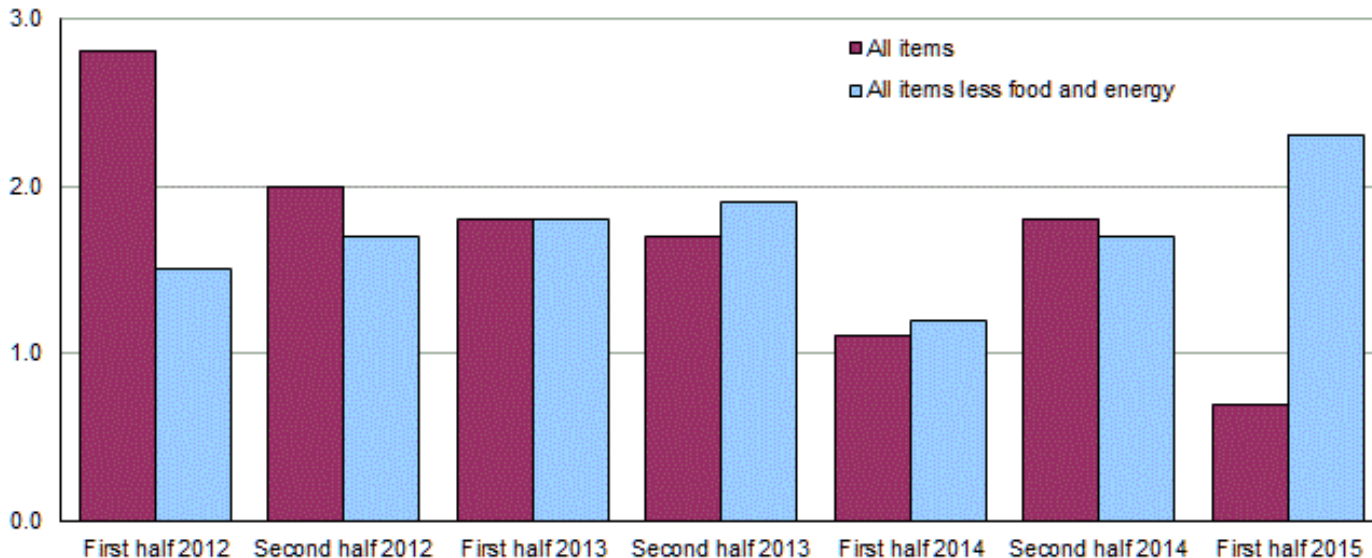
Area prices down 0.5 percent over the past six months, up 0.7 percent from a year ago

Prices in the greater Honolulu area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), declined 0.5 percent in the first half of 2015, the U.S. Bureau of Labor Statistics reported today. (See [table A](#).) Regional Commissioner Richard J. Holden noted that this latest six-month decrease was influenced by lower prices for gasoline and electricity. (Data in this report are not seasonally adjusted. Accordingly, six-month-to-six-month changes may reflect seasonal influences.)

Over the past 12 months, the CPI-U rose 0.7 percent. (See [chart 1](#) and [table A](#).) Energy prices fell 22.7 percent, mainly due to a drop in the price of gasoline. The index for all items less food and energy increased 2.3 percent over the year. (See [table 1](#).)

Chart 1. Over-the-year percent change in CPI-U, Honolulu, first half 2012–first half 2015

Percent change



Source: U.S. Bureau of Labor Statistics.

Food

Food prices advanced 1.8 percent in the first half of 2015. (See [table 1](#).) Prices for food away from home increased 3.2 percent for the past six months. Prices for food at home edged up 0.2 percent for the same period.

For the year ending in the first half of 2015, food prices rose 4.4 percent. Prices for food away from home advanced 5.7 percent during the past 12 months, and prices for food at home increased 2.6 percent.

Energy

Energy prices fell 20.7 percent since the second half of 2014, strongly influenced by a 23.2 percent decrease in the price of gasoline. Lower prices for electricity (-18.2 percent) and, to a lesser extent, natural gas service (-17.9 percent) also had an impact.

Energy prices dropped 22.7 percent over the year mainly due to a 26.2 percent decrease in the price of gasoline. Lower prices for utility natural gas service (-20.5 percent) and electricity (-18.7 percent) contributed to the decrease during the past 12 months.

All items less food and energy

The index for all items less food and energy increased 0.9 percent from the second half of 2014 to the first half of 2015. Among the index components, price increases were recorded for medical care (2.6 percent), other goods and services (1.7 percent), shelter (1.2 percent), and education and communication (1.0 percent). In contrast, lower prices were reported for household furnishings and operations (-1.3 percent) and apparel (-0.1 percent) during the past six months.

Over the year, the index for all items less food and energy advanced 2.3 percent. Prices increased for other goods and services (5.3 percent), medical care (4.8 percent), education and communication (3.1 percent), and shelter (3.0 percent). Partially offsetting the increases were lower prices for apparel (-2.1 percent) and household furnishings and operations (-1.2 percent).

Table A. Honolulu CPI-U semi-annual and annual percent changes (not seasonally adjusted)

Month	2010		2011		2012		2013		2014		2015	
	Semi-annual	Annual	Semi-annual	Annual	Semi-annual	Annual	Semi-annual	Annual	Semi-annual	Annual	Semi-annual	Annual
First Half	0.8	2.5	2.5	3.5	1.3	2.8	1.2	1.8	0.5	1.1	-0.5	0.7
Second Half	0.9	1.7	1.4	4.0	0.7	2.0	0.6	1.7	1.3	1.8		

The second half of 2015 Consumer Price Index for Honolulu is scheduled to be released mid-January 2016.

Technical Note

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 6,000 housing units and approximately

24,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/homch17_a.htm.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **NOTE: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.**

The Honolulu metropolitan area covered in this release consists of Oahu County in the State of Hawaii.

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Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes for semiannual averages and percent changes for selected periods Honolulu, HI (1982-84=100 unless otherwise noted)

Item and Group	Semiannual average indexes			Percent change to 1st half 2015 from-	
	1st half 2014	2nd half 2014	1st half 2015	1st half 2014	2nd half 2014
Expenditure category					
All items	255.989	259.190	257.848	0.7	-0.5
All items (1967=100)	704.730	713.543	709.848	-	-
Food and beverages	252.895	259.151	263.610	4.2	1.7
Food	253.021	259.386	264.047	4.4	1.8
Food at home	257.455	263.728	264.135	2.6	0.2
Food away from home	244.746	250.660	258.797	5.7	3.2
Alcoholic beverages	248.693	253.272	254.712	2.4	0.6
Housing	271.656	275.343	274.380	1.0	-0.3
Shelter	286.992	292.046	295.504	3.0	1.2
Rent of primary residence	284.996	290.631	293.792	3.1	1.1
Owners' equiv. rent of residences ⁽¹⁾	296.319	301.175	305.094	3.0	1.3
Owners' equiv. rent of primary residence ⁽¹⁾ ..	296.319	301.175	305.094	3.0	1.3
Fuels and utilities	372.764	378.605	334.075	-10.4	-11.8
Household energy	336.199	333.793	273.872	-18.5	-18.0
Energy services	331.319	328.983	269.057	-18.8	-18.2
Electricity	328.140	326.096	266.665	-18.7	-18.2
Utility (piped) gas service	336.870	326.205	267.712	-20.5	-17.9
Household furnishings and operations	151.243	151.312	149.378	-1.2	-1.3
Apparel	112.261	110.021	109.941	-2.1	-0.1
Transportation	237.614	235.132	217.288	-8.6	-7.6
Private transportation	238.868	235.748	215.372	-9.8	-8.6
Motor fuel	323.852	310.944	239.388	-26.1	-23.0
Gasoline (all types)	332.979	319.624	245.627	-26.2	-23.2
Gasoline, unleaded regular ⁽²⁾	353.670	338.353	258.769	-26.8	-23.5
Gasoline, unleaded midgrade ^{(2) (3)}	260.927	253.927	198.119	-24.1	-22.0
Gasoline, unleaded premium ⁽²⁾	292.718	281.799	218.577	-25.3	-22.4
Medical care	348.133	355.393	364.754	4.8	2.6
Recreation ⁽⁴⁾	119.313	119.860	120.419	0.9	0.5
Education and communication ⁽⁴⁾	141.981	144.995	146.406	3.1	1.0
Other goods and services	450.011	465.906	473.733	5.3	1.7
Commodity and service group					
All Items	255.989	259.190	257.848	0.7	-0.5
Commodities	200.215	201.900	197.662	-1.3	-2.1
Commodities less food & beverages	166.088	165.302	156.607	-5.7	-5.3
Nondurables less food & beverages	210.735	209.306	192.522	-8.6	-8.0
Durables	117.045	116.938	116.900	-0.1	0.0
Services	304.968	309.416	310.299	1.7	0.3
Special aggregate indexes					
All items less medical care	251.148	254.122	252.166	0.4	-0.8
All items less shelter	242.799	245.532	241.690	-0.5	-1.6
Commodities less food	169.359	168.744	160.348	-5.3	-5.0
Nondurables	233.276	235.752	229.670	-1.5	-2.6
Nondurables less food	213.093	212.030	196.349	-7.9	-7.4
Services less rent of shelter ⁽¹⁾	327.664	332.392	329.223	0.5	-1.0
Services less medical care services	299.966	304.281	304.147	1.4	0.0
Energy	328.699	320.356	253.948	-22.7	-20.7
All items less energy	253.086	256.956	259.668	2.6	1.1
All items less food and energy	254.519	257.958	260.332	2.3	0.9

Note: See footnotes at end of table.

Footnotes

- (1) Index is on a December 1982=100 base.
 - (2) Special index based on a substantially smaller sample.
 - (3) Indexes on a December 1993=100 base.
 - (4) Indexes on a December 1997=100 base.
- Data not available.